

SUCCESS ANALYSIS

(PROCESS OVERVIEW)

Introduction:

Starting a new business? Adding a new location? Launching a new product or service? A Success Analysis is an invaluable tool to reduce surprises and provide a level of security any new venture.

As you review the overview keep in mind that all the steps in the process will not be appropriate for every venture. You determine the depth and scope of the Analysis as well as the final form in which you want the information. For example we can provide all the data within a traditional “ink on paper” method, an oral presentation with handouts and visuals or we can provide it via an interactive computer based presentation or all of the above.

The Success Analysis is an invaluable source of independently gathered information that can provide strong support for your venture in obtaining financing or investment capital. It also will help you begin with more confidence by knowing the potential risks and options available to minimize their impact as well as the rewards of a successful startup.

Purpose:

- 1) Provide a realistic assessment of the opportunity and the risks associated with the launch of a new business, product or location.
- 2) Create basic data to support a business plan to be used to secure financing or investment.

Rewards:

- 1) Independent analysis and operational plan recommendations
- 2) Critical information to support a Realistic Business Plan
- 3) Third party Risk/Benefit Analysis

Time Line:

A Success Analysis can be conducted in two weeks or less in some instances, but four to six weeks is more typical. The depth of the research and the detail requested in the analysis determines the amount of time required to complete the analysis. Some of our larger projects have utilized a team of survey specialists, significant travel, focus groups at multiple locations and months to complete. We provide a target timeline and budget at the initial start of every project.

Cost:

The cost of an analysis can be as low as a few hundred dollars to more than one hundred thousand dollars for an in depth national or world wide analysis. In cases where databases¹ are purchased or travel is required additional costs will apply.

The person who says it cannot be done should not interrupt the person doing it.

Chinese Proverb

Components of a Success Analysis

1. Market Conditions
 - ◆ Competitor Analysis
 - Products
 - Distribution
 - Companies
 - Services
 - Location
 - Advertising & Promotion
 - Market Share
 - ◆ Market Potential
 - Define “The Ideal Customer”
 - Demographics (Geography, Industry, Market, Market Segment)
 - Target Market Count
 - Geographic
 - By Distribution
 - By Purchasing Activity
2. Demographic and Financial Analysis

¹ At the end of the project you will receive the information on any database we purchase. Typically these databases provide a rich amount of information that can be used for direct mail or other promotion to help launch your new venture.

- ◆ Market Potential
 - Market Share
 - Geography
 - “Traffic” Count
 - Destination Identity
 - Location
 - Uniqueness/ Ambience
 - Product Exclusivity
 - Product/Service/Customization Constraints
 - ◆ Budget formulation and cash flow testing of Best/Target/Worse Case Scenarios (Requires your participation).
 - Start Up Budget Review and Recommendations
 - 1 - 6 Months Estimates and Cash Flow Analysis
 - Year 1 thru 5 Projections
- 4) Risk Assessment and Recommendations
- 5) Analysis Summary and Consulting Statement

For additional information about conducting a Success Analysis please contact:

The Strategic Marketing Group

Dave Strader, Sr. Consultant

dave@4NewIdeas.com

260.385.3425

Wise planning will watch over you. Understanding will keep you safe.

PROVERBS 2:11



GOOD PLANNING AND HARD WORK LEAD TO PROSPERITY, HASTY SHORT CUTS LEAD TO POVERTY.

PROVERBS 21:5
